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TALKING POINTS FOR DDCI**Southern Africa: Summary of Regional Vulnerabilities**

A review of trade and financial statistics shows that all neighboring states, except Angola, are vulnerable to South African economic retaliation.

Botswana

- All petroleum products used in Botswana come via South Africa and most are refined there.
- Nearly 19,000 Botswana miners are employed in South African mines.
- About three-quarters of the grain and 80 percent of the fruits and vegetables consumed are imported from South Africa.
- Receipts from the South African controlled Southern African Customs Union (SACU) account for over 20 percent of government revenues.

Lesotho

- Over 95 percent of imports originate in South Africa and all exports are either sold to or must be transshipped through South Africa.
- Remittances from the nearly 110,000 Basotho employed in South Africa account for about 50 percent of GDP.
- The Electricity Supply Commission of South Africa (ESCOM) supplies 100 percent of Lesotho's electricity.
- Receipts from the South African Customs Union (SACU) account for 70 percent of government revenues.

Malawi

- Nearly 95 percent of Malawi's petroleum comes from South Africa.
- Some 18,000 Malawians work in South Africa and provide the government with about \$12 million in foreign exchange.

Mozambique

- More than 50,000 Mozambican miners work in South

Africa and provide nearly 70 of the country's foreign exchange earnings.

- ESCOM provides 60 percent of Mozambique's electricity.

Swaziland

- Revenue from the Southern African Customs Union (SACU) account for over 60 percent of government revenues.
- More than 13,000 Swazi miners work in South Africa.
- South African firms own and operate major Swazi farms and tourist companies.

Zaire

- More than 40 percent of the minerals exported in 1985 were shipped through South Africa.
- Three-fourths of the food, petroleum, and chemicals used by Zairian mines and mills are imported through South Africa.

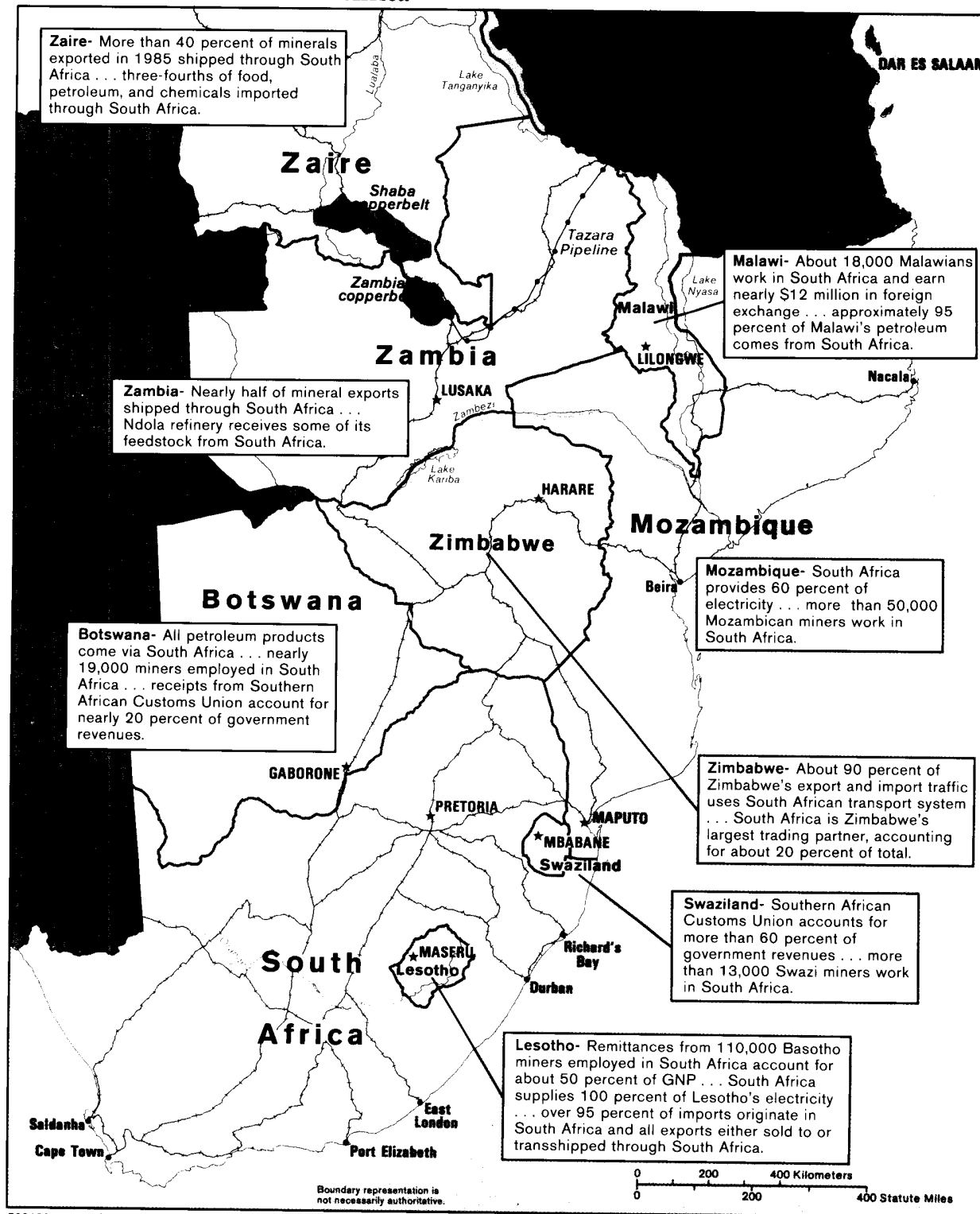
Zambia

- Zambia's Ndola refinery receives some feedstock from South Africa.
- Nearly half of Zambia's mineral exports are shipped by South African railway.

Zimbabwe

- About 60 percent of Zimbabwe's export and import traffic utilizes the South African transport system.
- South Africa is Zimbabwe's largest trading partner accounting for 20 percent of total trade.

Economic Links With South Africa



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